VZCZCXRO9146 PP RUEHMA RUEHPA DE RUEHUJA #1349 1981238 ZNR UUUUU ZZH P 161238Z JUL 08 ZDK FM AMEMBASSY ABUJA TO RUEHC/SECSTATE WASHDC PRIORITY 3353 INFO RUEHZK/ECOWAS COLLECTIVE RUEHOS/AMCONSUL LAGOS 9584 RUEHC/DEPT OF LABOR WASHDC RHMFISS/HQ USAFRICOM STUTTGART GE RHEBAAA/DEPT OF ENERGY WASHDC RHEHNSC/NSC WASHINGTON DC RUEAIIA/CIA WASHINGTON DC RUEKDIA/DIA WASHDC RHMFISS/HO USEUCOM VAIHINGEN GE RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK

UNCLAS ABUJA 001349

SENSITIVE SIPDIS

DEPT FOR AF/W, INR/AA

E.O. 12958: N/A

TAGS: <u>PGOV ELAB EPET ECON EFIN ELTN ENRG NI</u>
SUBJECT: NIGERIA: FOUR-DAY FUEL TANKER DRIVER STRIKE ENDS

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- 11. (SBU) The Nigerian Petroleum Tanker Drivers (PTD), in association with the National Union of Petroleum and Natural Gas Workers (NUPENG), ended a four-day strike on July 14. NUPENG President Peter Akpatason confirmed to Poloff press reports that the tanker drivers were striking over diesel and kerosene prices, the need for improvements to the nation's roads, improvement of the security situation for drivers, an end to "excess profits" for petroleum marketers, and a desired pay raise for the drivers. Tanker drivers have increasingly been targets of highjackings or robbery as the price of oil has risen. (Note: Under current arrangements, a driver essentially borrows the tanker from the owner, and has to do a minimum number of fuel runs, typically five, for the owner before starting to make money for himself. The drivers claim this is excessive, making them work inordinate hours before they break even.) Following four days of work stoppage, which had already resulted in long fuel queues across the country and clogged traffic in the cities, the strike was suspended for two weeks to allow continued negotiations between the GON and the strikers.
- 12. (SBU) Akpatason told Poloff that PTD and NUPENG representatives met with Minister of State for Energy (petroleum) Adein Ajumogobia in Lagos over the weekend. Ajumogobia agreed to give due attention to all demands if the drivers would suspend the strike. All stakeholders, including the Ministers of Petroleum, Transport and Finance, the police, NUPENG, the Nigerian National Petroleum Corporation (NNPC), the Petroleum Products Pricing Regulatory Agency (PPPRA), the Independent Petroleum Marketers Association of Nigeria (IPMAN), and others agreed to meet on July 15 in Abuja to discuss the drivers' concerns.
- ¶3. (SBU) Comment. Mission personnel reported long lines and high levels of frustration among taxi and motor-taxi drivers. Several fuel stations reported no fuel was available, although at least one was directly observed to be pumping fuel into jerry cans apparently for resale on the black market. Black market fuel sold for as much as 250 Naira (\$2.14) per liter in Abuja over the July 11-13 weekend -- a considerable markup from the government subsidized rate of 70 Naira (\$.60) per liter. Mission Nigeria will continue to monitor this situation. End Comment. SANDERS